

October 22, 2016

Comments to the Legislative Disability Concerns Subcommittee

TOPIC: Centennial Care Self-Directed Community Benefit

**Point 1: Policy is often not in-sync with NMAC regulations or CMS special terms & conditions**

The development of the Self-Directed Community Benefit (SDCB) budget as per the Managed Care Policy Manual is not supported by the NMAC Managed Care Regulations or the CMS Special Terms and Conditions. Because of this, SDCB members are denied access to SDCB services. SDCB members must "reallocate" their SDCB budget amounts to get SDCB services. "Reallocate" means to reduce the hours of personal care the SDCB member was allocated in order to make room in their budget for other SDCB services.

See: NMAC 8.308.12.20

Centennial Care CMS Special Terms & Conditions, page 39 of 97

Managed Care Policy Manual, page 124

**Point 2: Bureaucratic Value Judgements Prevail**

The state very intentionally wanted to fix what they perceived to be wrong with self-direction prior to Centennial Care, namely Mi Via. The state contends that Mi Via participants had excessive budgets and were able to buy things that Medicaid shouldn't pay for. It is clear the state wanted to restrict SDCB to personal care services and make it very difficult for SDCB members to use any of the other SDCB services. The state has abnegated the Mi Via model and fabricated policy to achieve this end. SDCB transportation services, as an example, has been restricted in the Managed Care Policy Manual, which is contradicted in the NMAC Managed Care regulations.

See: Managed Care Policy Manual, page 169

NMAC 8.308.12.18

**Point 3: Lack of Transparency and Stakeholder Input where and when it matters**

The actual cost of Agency-Based services is not available. This is important because the SDCB budget allotments are based on a bogus set of rates that low-ball the cost of agency-based services. This results in SDCB budget amounts that are insufficient to access SDCB services. What the state pays MCOs for SDCB services is not known. Except for grandfathered Mi Via budgets, SDCB budgets are far lower than Mi Via budgets, yet the services in the two programs are nearly identical. Stakeholders have absolutely no input around the development of policy. The state is able to fabricate policy at will with no constraints.

**Point 4: Lack of Access to Due Process**

The SDCB budget amounts are not appealable. The state intentionally fabricated policy so this would be the case. Without Notice of Action letters, MCOs can deny SDCB members an appeal. Since SDCB members must exhaust the MCO appeals process before requesting a Medicaid Fair Hearing, access to any further due process is unavailable. The state has done this even though the CMS Special Terms and Conditions require the state to treat denial of a request for a budget adjustment as an adverse action and provide the member due process rights.

See: Managed Care Policy Manual, page 173

CMS Special Terms and Conditions, page 41 of 97

**Point 5: Really, we don't know what we need to know**

When the state decided to abnegate the Mi Via model of self-direction in Centennial Care, it did so with no knowledge of the outcomes, good or bad, resulting from the Mi Via program. The only measure the state was concerned with was that Mi Via budgets were too large. A purported purpose of Centennial Care is to move away from measures of quantity to demonstrating the efficacy of the health care services provided. Since the inception of self-direction in New Mexico in 2007, no attempts have been made to measure the efficacy of self-direction, particularly in comparison to institutional care and agency based community supports. Individual outcomes of self-directed services demonstrate that self-directing members have fewer hospitalizations, fewer infections and bedsores, and achieve improved health status compared to the institutional care and agency-based community services they had received previously.

**Point 6: What is Needed?**

- A bona fide SDCB budget development process that is based on using SDCB services and range of rates to meet SDCB members' needs
- As per CMS Special Terms and Conditions, NMAC regulations and managed care policies to ensure due process rights for denial of a request for a budget adjustment
- Policies and procedures for MCOs that encourage an objective approach to decision-making about SDCB budget amounts and members' choices and decisions of SDCB services
- Training in Self-Directed philosophy and purpose for MCOs and state personnel
- Procedures to assure that stakeholders have input into all SDCB policy decisions
- Transparent information about the actual cost of community benefit services compared to what MCOs are paid to provide community benefit services
- Evaluation and comparison of the efficacy of the different long-term care models – institutional care, agency-base community care and self-directed services

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